



MEMO TO: Members of the City Council

FROM: Mayor John Marchione

DATE: October 16, 2018

SUBJECT: Approval to Fund Change Orders for LED Street Light Retrofit Project, in the Amount of \$286,000

I. RECOMMENDED ACTION

Approve funding for change orders to complete conversion of City-owned street lights to LED as part of the LED Street Light Retrofit Project.

II. DEPARTMENT CONTACTS

Martin Pastucha, Director of Public Works	425-556-2733
Rob Crittenden, P.E., Engineering Manager	425-556-2838
Cathy Beam, A.I.C.P., Principal Planner	425-556-2429
Paul Cho, P.E., Senior Traffic Operations Engineer	425-556-2751

III. DESCRIPTION/BACKGROUND

Council approved the LED Street Light Retrofit Project and Approval of Amendment No.2 to the Interagency Agreement between the State of Washington Department of Enterprise Services and City of Redmond on March 21, 2017.

The LED Street Light Retrofit Project is replacing approximately 1750 existing high-pressure sodium (HPS) and metal halide (MH) fixtures with energy efficient light emitting diode (LED) fixtures through a contract with McKinstry, an energy savings company (ESCO). McKinstry and their contractor, Northwest Edison, have completed converting 950 streetlights to LED to date.

IV. PREVIOUS DISCUSSIONS HELD

Date	Action/Committee Presentation
October 11, 2016	Planning and Public Works Committee
February 21, 2017	Staff Report
March 21, 2017	Project Approval and Interagency Agreement Amendment
October 5, 2018	Planning and Public Works Committee Briefing

V. IMPACT

A. **Service/Delivery:**

City staff reviewed a total of five change orders and looked closely at alternatives and supporting analysis in developing the above recommendations. Two were rejected and three were found necessary to complete the project:

1. Quantity and specifications difference between City of Redmond's street light database and McKinstry's field audit database. McKinstry's contract cost was based on Redmond's database provided to McKinstry. To compile the actual quantity and specifications for the fixture orders, a field audit was completed and found to be different than Redmond's database. (\$149,000 additional cost)
2. Modifications to decorative fixtures to install LED lighting control components without voiding manufacturer's warrantee. There are several types of existing Old Town and Overlake Village fixtures that still have the manufacturer's warrantee. Special modifications to the fixture are necessary to install the control unit and antenna in these decorative fixtures. (\$63,000 additional cost)
3. Narrow fixture specifications for improved operations and maintenance costs. Redmond requested the contractor to condense the number of fixture options. Also, some size and build materials were not preferred. Narrowing the variations of fixtures allowed for more uniform performance as well as lower the number of fixtures inventory needed for maintenance. (\$74,000 additional cost)

Total Cost of Change Order - \$286,000

B. **Fiscal Note:**

Current Project Budget:

Dept. of Commerce Grant	\$350,000
PSE Rebate	\$186,070
2015-16 Energy Efficiency Program	\$200,000
General Government CIP	<u>\$1,368,556</u>
Total Funding	\$2,104,626

Project Costs:

Original Contract	\$2,104,626
Change Order Cost	<u>\$286,000</u>
Total Cost	\$2,390,626

Budget Difference: (\$286,000)

Transfer from General Government CIP

(\$286,000)

VI. ALTERNATIVES TO STAFF RECOMMENDATION

If funding is not approved, not all street lights will be converted to LED. Also, part of the project funds must be used to restore the photocell system to the unconverted lights thereby further limiting the total number of street lights converted.

VII. TIME CONSTRAINTS

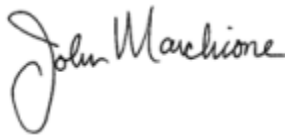
McKinstry would like to have the project substantially completed by the end of 2018. Approval of the change order is required to procure necessary components to meet deadline.

VIII. LIST OF ATTACHMENTS

None.



Martin Pastucha, Director of Public Works



Approved for Agenda

John Marchione, Mayor